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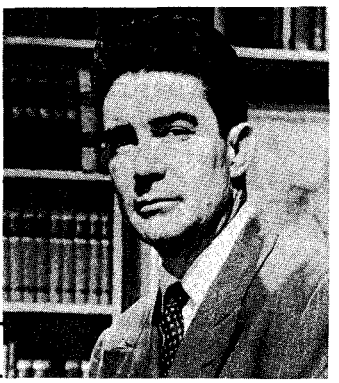

DAN SMOOT

CLOUDS IN JOHNSON'S PATCH OF SKY

President Johnson's proposed Demonstration Cities Act of 1966 (see this *Report*, March 21, 1966) embraces the entire range of federal meddling in the private lives of individuals and in the affairs of cities, counties, and states; but its specific emphasis is in five broad areas: metropolitan government, building new cities, mass transportation, racial integration, urban renewal.

METROPOLITAN GOVERNMENT. The President recommended an initial one-year appropriation of $6.5 million for comprehensive planning of entire metropolitan areas.

For many years, socialists and other devotees of governmental planning have complained about the multiplicity of government—division of the nation into states, counties, and cities. These separate governmental authorities overlap, to some degree; and all duplicate public services now being performed by the federal government.

Advocates of governmental planning have visions of a new kind of America: they would transform our union of states into a regionally-planned, monolithically-unified nation, divided into metropolitan areas which sprawl across state boundary lines. Each area would be ruled, at the local level, by only one governmental authority: a metropolitan government, answerable, not to the people it governs, but to the supreme political power and dispenser of tax money in Washington.[1]

BUILDING NEW CITIES. The President recommended federal aid for starting entire new cities, but gave no details about extent and operation of the program or appropriations needed.

MASS TRANSPORTATION. The President recommended a one-year extension of the 130-million-dollar-a-year program of federal aid to cities and states for mass transit facilities.

RACIAL INTEGRATION. Racial discrimination is already outlawed in the sale or rental of housing facilities built or maintained, in whole or in part, with federal tax money, or with loans

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guaranteed by the federal government. In the Demonstration Cities proposal, the President demanded a new law to ban racial discrimination in the sale or rental of *all* housing facilities, whether or not federal funds are involved. This flagrant invasion of individual property rights meshes with the rent-subsidy scheme.

In 1965, President Johnson demanded a law authorizing federal rent subsidies to individuals whom federal officials deem to be in need of better housing than they can afford.[2]

Congress authorized the rent-subsidy scheme in the Housing and Urban Development Act of 1965, but the House of Representatives refused to appropriate funds for it. President Johnson now demands that the program be funded.

In his Demonstration Cities Message, the President said that racial discrimination lies at the "center of the cities' housing problem." He alleged that negroes in impacted racial ghettoes have no "avenue of escape to a more attractive neighborhood," bemoaning the "flight to the suburbs of more fortunate men and women."

The new anti-discrimination law and the rent subsidy will guarantee that slum-dwelling negroes (and whites) can move into middle-class neighborhoods, or anywhere else. The government will subsidize their rent, and force landlords to accept them. Those living in middle-class neighborhoods without government subsidy—*generally, because they are thrifty and industrious*—will be taxed to pay for the unconstitutional invasion of their personal rights and property rights by "the poor," who are politically favored because of their voting strength.

URBAN RENEWAL. In his Budget Message of January 24, 1966, President Johnson said:

"Poor housing conditions and obsolete public facilities in large areas of central cities . . . . tend to breed poverty, crime, and disease. A new program is proposed to show how local, state, and private groups—assisted by the Federal Government—can undertake a major renovation of blighted slum areas."

The "new program," presented in the Demonstration Cities Message of January 26, is not new. It expands urban renewal, requesting $2.3 billion as the initial cost, during the next six years, of rebuilding slum neighborhoods.

Billions of tax dollars have already been spent on public housing and federal urban renewal in America. In support of every one of the thousands of such projects, the same arguments are used: eliminate slums and you eliminate crime and juvenile delinquency; put up something that *looks* good, and people will *be* good. But crime, juvenile delinquency, and government spending have all increased at about the same rate.

The truth is, slums do not breed crime and juvenile delinquency. It is the other way around. People make slums. Slums do not make people. If you tore down all old houses in America; replaced them with luxury homes and apartments; and gave those luxury dwellings to improvident ne'er-do-wells—the places would soon become slums.

Moreover, *slum clearance* is a misnomer for *urban renewal*. Urban renewal is a federally financed program of city planning which requires city governments to seize homes and other private property (not just slums, but *all* property in *whole sections*). After the property is cleared of all buildings (at taxpayers' expense) it is resold (at below acquisition cost) to private interests for developments that please government planners.[3]

Because of urban renewal, hundreds of thousands of people have been evicted from their homes; thousands of businesses have been forced to close their doors; good neighborhoods have become slums through the influx of homeless people from urban renewal areas.

Urban renewal has benefitted politicians who boast of getting a city "its share" of federal money, and promoters who profit from urban-renewal land deals and construction projects; but it has damaged the economy as a whole, victimized the people at large.

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Travail In The Country

Johnson demanded prompt congressional action on his proposed Demonstration Cities Act, saying the objective of the Act is "a clean room and a patch of sky for every person, a chance to live near an open space, and to reach it on a safe street."

This should not be interpreted to mean the President wants urbanites to move to the country, because "the travail of . . . . our rural citizens . . . ground into poverty," according to the President, is even more depressing than the "human decline" in our cities.

As a companion piece to his Demonstration Cities Message of January 26, President Johnson sent Congress, on the same day, a message requesting the Community Development District Act of 1966—to eliminate poverty, degradation, and man's inhumanity to man in rural areas. Note the following passages:

"The efforts of five administrations have provided some relief for hundreds of thousands of poor families who remain on small farms and in rural communities. Yet the old task remains undone: to end the travail of unemployed and underemployed men; to teach their children the skills they must have to prosper in a competitive society; to provide enough food, adequate shelter, and decent medical care for their families, and to help them achieve freedom from want and fear in their later years.

"I do not believe we should stand idly by and permit our rural citizens to be ground into poverty — exposing them, unassisted and unencouraged, to the neglect of a changing society. Few other elements of our population are so treated by our humane and progressive people."[4]

To cure the ills of rural America, Johnson presented, in the Community Development District Act of 1966, a five-point program:

(1) organize rural America into Development Districts; (2) grant each district federal tax money for comprehensive planning; (3) make teams of federal school teachers—from the Teachers Corps—available to each district; (4) institute a rural medical program which will provide incentives—federal tax money, that is—for young people to undertake medical careers and practice in rural areas; (5) appoint a Commission on Rural Poverty, to report to the President within one year after appointment.[4]

Government, trying to improve life in rural America, has already spent at least 120 billion tax dollars, on a complex welter of programs: Henry A. Wallace's programs of destroying crops and livestock; commodity price-support programs; rural electrification; special home loans, and other types of government-guaranteed credit, for farmers; special tax provisions to ease the tax load on people engaged in agricultural pursuits; government-financed water storage projects to irrigate farm land; many direct government aids to land owners who engage in activities which the Department of Agriculture classifies as soil conservation, land reclamation, crop reduction.

How We Should Fight Poverty

Johnson's Community District program offers nothing new — just vastly more of the same.

The President's statements about sorry conditions in the United States were intended to stir emotions and obviate thought and, thus, to stampede the Congress into blind support of administration proposals. Yet, there is some truth in what the President said. We do have poverty, crime, delinquency — to an alarming, heartbreaking extent. We ought to help those in need. We ought to provide opportunities for those born into an environment where opportunity does not flourish.

The question is *how*? All government efforts in the past have failed, and all in the future are doomed to fail.

Even if corruption, graft, waste, extravagance, impractical planning, and political favoritism were eliminated, government-directed economic

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activity could never match private enterprise in efficiency. Private enterprise must produce what the public wants. Government orders production of what bureaucrats and politicians want the public to have — or what they think will buy the most votes. Private enterprise must operate with minimum waste and maximum efficiency in order to make a profit and avoid bankruptcy. Government spending is not controlled by the stern law of profit and loss. If government spenders waste billions of tax dollars on activity that does no good, they merely demand more money.

If we want to wage war on poverty with maximum effect, our first campaign must be against unconstitutional federal programs which rob us of the wherewithal to fight. Get the federal government off our backs and its tax collectors' hands out of our pockets, and there will be no limit to what we can do.

Totalitarian liberals and utopian dreamers seem ignorant of the lesson which the thrilling history of our own country clearly teaches: that freedom creates more material prosperity than any government-planned way of life could ever do, because freedom releases, from stifling controls and burdensome regulations, the constructive energies and talents of the people.

When a man is left free to struggle, he develops strength, wisdom, resourcefulness. When forced into dependence upon government, he becomes weak, irresolute, irresponsible. A dependent personality has no dreams of building and helping others. He has greed: greed to get all he can for himself, not by constructive effort, but by nagging demands upon the power which made him dependent.

For thirty years, we have tried illegal, unconstitutional, politically-motivated schemes. Now, before it is too late, let us try the one simple, certain cure for the economic ills of human society: freedom.

Imagine what the American people could accomplish in providing jobs; renovating old cities and building new ones; creating new industrial plants, health centers, educational institutions, recreational facilities — if government did not pillage them of their earnings and savings for spending prescribed by bureaucrats and politicians.

The people should inundate all members of Congress with demands that they completely reject — not modify, or accept milder versions of, but reject completely — President Johnson's Demonstration Cities Act of 1966 and his Community Development District Act of 1966.

When that job is done, and while members of Congress are still blinking at the massive display of determined public opinion, voters should make it abundantly clear that they will not rest until Congress is composed of constitutionalists dedicated to abolishing all the federal government's unconstitutional programs, in order that the American constitutional Republic can be restored.

FOOTNOTES

(1) For details on metropolitan government, see the *Report* "Metropolitan Government," February 1, 1965; prices: 25c each, 6 for $1.00.

(2) Extracts from the debates on rent subsidies, and information on the program, are contained in the *Report*, "Government Guaranteed Security," July 19, 1965; prices as in footnote (1).

(3) Details on urban renewal are in two *Reports*, "Urban Renewal and a Soviet America — Part I, Part II," January 28 and February 4, 1963; prices quoted above.

(4) "Community Development District Act of 1966 — Message From The President," *Congressional Record*, January 26, 1966, pp. 1108-10 (daily)

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